

Memorandum

TO: Public Safety, Finance and
Strategic Support Committee

FROM: Deanna Santana
Deputy City Manager

SUBJECT: SEE BELOW

DATE: March 11, 2010

Approved

Date

3/12/10

COUNCIL DISTRICT: City-Wide

**SUBJECT: APPROVAL OF A JOINT POWERS AGREEMENT (JPA) TO BECOME
A MEMBER OF THE SILICON VALLEY REGIONAL
INTEROPERABILITY AUTHORITY (SVRIA) AND AUTHORIZATION
TO AMEND THE SECOND AMENDMED JOINT FUNDING
AGREEMENT (JFA)**

RECOMMENDATION

Recommend that the Council adopt a resolution:

- a) Making a determination that the public interests and necessity demand that:
 - (i) The Silicon Valley Regional Interoperability Authority (SVRIA) acquire, construct, maintain, and operate the Silicon Valley Regional Interoperability Project (SVRIP) and the projects entered into pursuant to the SVRIA Joint Powers Agreement (JPA); and
 - (ii) The SVRIA be empowered to exercise the power to issue revenue bonds.
- b) Authorizing the City Manager to execute the SVRIA JPA.
- c) Authorizing the City Manager to execute the Amendment to the Second Amended Joint Funding Agreement (JFA Amendment) to allow the Silicon Valley Regional Interoperability Project to transfer its assets to a joint powers authority.
- d) Recommending that the Mayor appoint two elected City officials to represent the City on the SVRIA Board of Directors.

OUTCOME

Approval of the recommended action will enable the formation of and the City's membership in the SVRIA, which is aimed at facilitating cooperative local and regional public safety interoperability efforts. This will enhance and improve public safety data sharing;

communication; and other technological systems, tools and processes by allowing the participating jurisdictions to exercise their joint contracting and purchasing powers to participate in regional interoperability projects; to jointly fund activities and projects related to interoperability; and, to jointly apply for grants and funding to facilitate the accomplishment of these goals.

BACKGROUND

History of the Santa Clara County/Cities Managers' Association Involvement

The Santa Clara County/Cities Managers formed the Silicon Valley Regional Interoperability Project (SVRIP) in 1998 to enhance inter-agency coordination and communication between public safety agencies and to exchange critical information and resources in real time during an emergency. The SVRIP currently operates under the general direction of the Santa Clara County/Cities Managers' Association and under the Second Amended Joint Funding Agreement. An executive level Steering Committee acts as the governance body providing oversight and management. The current Committee is comprised of the members listed below:

Committee Members:

Scott Seaman, Steering Committee Chair, Santa Clara County Police Chiefs
Bert Hildebrand, Vice-Chair, SVRIP Senior Project Manager
Dave Anderson, Santa Clara County/Cities Manager's Association
David Knapp, Santa Clara County/Cities Managers' Association
Dale Foster, Santa Clara County Fire Chief's Association
Emily Harrison, Santa Clara County Executives' Office
Deanna Santana, San Jose City Manager's Office
George Washburn, Radio Project Director
Don Jarvis, Policy Committee Chair
Laurie Smith, Santa Clara County Sheriff
Elizabeth Vargas, PSCMA Representative
Diane Urban, ECOMM Project

Under the direction of the City Manager, the City was a founding member of the SVRIP, which was established to develop a regional public safety communications network throughout Santa Clara County (County).

In 2001, the cities of Campbell, Cupertino, Gilroy, Los Altos, Milpitas, Monte Sereno, Morgan Hill, Mountain View, Palo Alto, San José, Santa Clara, Saratoga, and Sunnyvale; the towns of Los Gatos and Los Altos Hills; the South Santa Clara County Fire District; the County of Santa Clara; San José State University; and the Santa Clara Valley Water District (collectively the "network participants"), established a Joint Funding Agreement (JFA) so as to:

1. Jointly hire consultants for the conceptual design and implementation strategy for an interoperable communications network;
2. Jointly purchase a radio and data communications system or network to provide interoperability for the Network Participants;

3. Integrate this system or network with other nearby regional public safety communications systems;
4. Participate in regional interoperability projects;
5. Jointly fund activities and projects related to interoperability; and
6. Jointly apply for grants and funding to facilitate the accomplishment of these goals.

Interoperability Project

SVRIP has undertaken many projects in the past several years, with the most notable in San José being the implementation of the Emergency Communications (ECOMM) network. The City, as part of SVRIP, was the fiscal agent for Phase I of the \$10.1 million regional microwave communications network which was completed in May 2009 to improve communications between emergency first responders in the County. Of the total project costs, \$8.9 million was funded through the Urban Area Security Initiative (UASI). This funding was awarded to SVRIP due to the cross-jurisdictional collaboration that provided benefits to all network participants.

ECOMM is independent of commercial wireless and telephone networks, which often overload and fail during major regional incidents. Independent operations avoid the delays or uncoordinated responses typical with commercial systems. ECOMM will eventually link to other interoperable public safety microwave systems currently being established in the greater San Francisco Bay region- extending from Monterey to Sacramento.

The ECOMM network is made up of 23 state-of-the-art digital microwave radio links serving 18 jurisdictions throughout the County. ECOMM links the Santa Clara County's Public Safety Answering Points (PSAP's) in seconds, allowing high-speed sharing of dispatch services, records management databases and voice traffic, which enable first responders improved local response times and better management of regional incidents.

In the County, ECOMM provides the transport medium over which new interoperable communication systems will be carried. With the ECOMM implementation, the City was able to increase the quantity of individual voice circuits available to first responders from 600 to 2016.

Interoperability communications remains one of the highest priorities of law enforcement and fire departments throughout the County. The City, in partnership with SVRIP, is currently developing interoperability systems to connect San José to the rest of the systems in the County that will further utilize to ECOMM network such as:

- CAD to CAD (Computer-Aided Dispatch);
- RMS to RMS (Records Management System); and,
- P25 voice systems (standardized radio communication equipment).

For Phase II, which began in September 2009, the County is the fiscal agent. Phase II of the ECOMM project provides for the expansion and requisite enhancements of the local ECOMM microwave radio, voice and data backhaul system needed to support the completion of the Bay Area Regional Interoperable Communications System (BayRICs) and Silicon Valley Regional Communications System (SVRCS). The Phase II project adds 15 new sites and enhances 23 existing Phase I ECOMM sites and provides communication capabilities necessary to complete the SVRCS implementation as well as other interoperability projects. An agreement

with the County to identify and provide City contributions to off-set a portion of the 20% match of the PSIC grant for the construction of Phase II will be brought to the Council by the end of FY 2009-2010. This agreement will allow the City to provide the County with a financial contribution in the amount of \$700,000 from the Communications Capital Improvement Program along with an additional \$200,000 in unused microwave communications equipment, for a total amount not to exceed \$900,000.

ANALYSIS

The projects above serve as an example of the important work that has been completed and that is currently in the planning phase for SVRIP. SVRIP has been very successful, but as projects are completed and enter into a stage of operations and maintenance, they present a unique challenge; these are multi-jurisdictional projects and grant funding is typically restricted from use on operations and maintenance. Issues of long-term governance and system sustainability are easily addressed through a Joint Powers Agreement (JPA), which are also key factors in grant award decisions.

As a result of these regional efforts, the joint exercise powers under the JFA are no longer sufficient to address the expanded opportunities and objectives of the SVRIP. Therefore, it is the desire of the network participants, with direction from the Santa Clara County/Cities Managers, to create an independent JPA to implement and operate the SVRIP and other projects. Planning, implementation and management of those dollars are necessary to control costs and to protect those investments thus ensuring that the contribution agencies and citizens are well served.

These regional efforts have also demonstrated the need for neutral oversight of projects that will ensure the best interests of all participants are met. This oversight will ensure adequate planning, implementation, management and acquisition of grant funds. Since a typical interoperability project includes procurement of a shared system, there also needs to be an independent entity to assume ownership and management of the system in a cost effective and neutral manner that is beneficial to all users.

Regional Collaboration and Shared System Strategies

The need to manage current shared systems, along with the growing need and value of initiating future enhancements, has resulted in the recommendation of a proposal to transition from a JFA to a JPA. The JPA will enable a regional consortium of communities and partners to continue to benefit from the advantages of collaborative planning and shared system strategies. The goal of enhanced collaboration through the JPA to address interoperability includes:

- Improved Officer and Fire Fighter Safety
- Improved investigative tools
- Enhanced capabilities during routine day-to-day operations
- Enhanced capabilities during critical incidents
- Maximized grant funding
- Improved interoperability system asset management
- Time and costs savings through:
 - Faster emergency response times

- Effective, strategic coordination of efforts between jurisdictions
- Avoidance of duplication of efforts and disparate systems

There is a trend across the country in successful grant award strategy that clearly highlights the benefits of regional planning and implementation. In addition to improving the chances of receiving a grant award, the additional benefit of working collaboratively on large scale regional efforts is that duplication of efforts is reduced, the cost savings of joint purchasing is realized and the costs of long-term system management can be shared and better controlled. Issues of long-term governance and system sustainability are also easily addressed through a JPA which increases the potential for favorable grant award decisions.

As many agencies prioritize interoperability projects, it becomes critical that there is an independent entity looking at the regional benefits of local projects. It is imperative that thoughtful and thorough planning occur to determine what options best address large scale public safety capability needs. Technology initiatives that are not adequately researched, planned and coordinated often result in cost overruns, schedule delays and unmet needs. In the current fiscal climate, it is becoming increasingly difficult for individual public safety agencies in the County to allocate necessary resources to planning and research efforts. The need to build systems that can cross over jurisdictional boundaries and disciplines complicates the planning process. The value of having a coordinated approach would be time savings, a higher level of project success, avoidance of duplicative efforts and allowance of a more comprehensive business case development that would result in procurement of cost effective solutions. A JPA would be a mechanism to coordinate planning and research efforts with the ability to serve as a resource and neutral advocate for the best solutions that balances need with cost.

A future project that could benefit from a JPA is a new shared, county-wide public safety radio system called the Silicon Valley Regional Communications System (SVRCS). It has been extensively studied and found to greatly enhance the ability of different agencies to communicate with each other on both a routine basis and during a critical event. Currently, the public safety agencies in the County work on over 20 independent radio systems which vary in age and capabilities. A significant shortcoming is the inability of these systems to integrate seamlessly in the event of a major public safety incident such as a significant earthquake. Current system capacity would also be overwhelmed in a large scale critical incident.

A major project such as this would necessitate extensive planning and oversight for successful implementation. There would also be a need to manage and maintain such a large investment long-term carefully. A JPA is well suited to fill this need and is often used in similar situations across the State.

San José's Interests and Representation

The JPA has proposed a Board of Directors governance model for SVRIA. The Board would be comprised of nine (9) elected officials serving three (3) year terms with:

- Two Directors representing the County of Santa Clara
- Two Directors representing the City of San José
- One Director representing the Central County Agencies
- One Director representing the Northwest County Agencies

- One Director representing the South County Agencies
- One Director representing the Southwest County Agencies
- The ninth Director will be appointed by the City Selection Committee for Santa Clara County Cities' Association. This Director will be an elected official of a Member who does not have an elected official on the Board.

An alternate should also be appointed for each Director. Alternates will serve in the absence of their respective Director and exercise all rights and privileges of a Director. If a Director, or their alternate, fails to attend 70% of the Board meetings within a fiscal year, their position will be deemed vacant.

Each Director will have one vote. The Board will annually select a Chair from amongst their membership. A majority will constitute a quorum and at least two meetings of the Board will be held annually.

In addition, the City Manager will appoint two members from staff to serve on the Working Committee which will be comprised of eleven (11) members from:

- Two City Managers appointed by the Santa Clara County/City Managers Association.
- One fire chief appointed by the Santa Clara County Fire Chiefs Association.
- One police chief appointed by the Santa Clara County Police Chiefs Association.
- The Santa Clara County Executive or his or her designee.
- Two members appointed by the San Jose City Manager.
- The Director of Communications for Santa Clara County or his or her designee.
- One communications manager appointed by the Public Safety Communications Managers Association (of Santa Clara County).
- Two at-large members appointed by the Working Committee.

All meetings of the Board and the Working Committee will be conducted in compliance with the Ralph M. Brown Act. The City Manager's Office and the San José Police Department, working with SVRIP, participated in the development of the JPA structure and cost sharing allocation structure. The above structure was proposed to ensure fair City representation on both the Board and the Working Committee and to share the costs equitably.

The SVRIA JPA and the JFA Amendment have been approved by the cities of Santa Clara, Los Gatos, Monte Sereno, Los Altos and Gilroy. These items are scheduled for consideration by Campbell, Cupertino, Milpitas, Morgan Hill, Mountain View, Sunnyvale and the County during March.

Authorization

Under San Jose Municipal Code Section 4.32.010 entitled "Joint Powers Agreements and Revenue Bonds- Conditions for entering agreements - City council authority," the City may only enter into a joint powers agreement which creates an entity having the power to issue revenue bonds if the City Council first determines that the public interests and necessity demand that (a) the entity acquire or construct or maintain or operate the project which such agreement would give the entity the power to acquire or construct or maintain or operate; and (b) that the entity exercise such power.

The above findings regarding public interests and necessity can be made because: (a) as demonstrated by the official reports on 9/11 and Hurricane Katrina, where first responders to a crisis or disaster cannot readily share information due to a lack of interoperability, the resulting loss of life and unnecessary damage increases significantly and the potential for an immediate need for interoperability has only become clearer with the recent massive earthquakes in Haiti and Chile and (b) interoperability is needed on a regional scale to deal with these critical emergencies and due to the need for these large regional scale projects, it is crucial that the SVRIA have the power to issue revenue bonds where the conditions for such issuance under state law can be met.

EVALUATION AND FOLLOW UP

The City Manager will return to the City Council through the budget process for FY 2011-2012 with a funding plan for the City's portion of the annual operating and maintenance costs.

POLICY ALTERNATIVES

Alternative # 1: Allow the JPA to be formed without participation from the City of San José.

Pros: The City would be given the flexibility to move projects forward on its own timeline and with a scope of work that is specific to the City. Immediate funding would not be allocated for any projects, while the City decides how to proceed with interoperability projects independently.

Cons: When the City is ready to move forward with projects, it could incur a higher cost. There is also no guarantee that vendors will be able to create a stand-alone system for the City that has the capabilities to communicate or share data with other jurisdictions. Since higher consideration is given to regional applications for grant funds, the City would be less likely to receive grant funding for interoperability projects. If the City does not legitimize its participation in SVRIA at the onset and chooses to wait, it could result in the City not being prepared to partake in any new regional technology or interoperability projects.

Reason for not recommending: Since the main reason for joining SVRIA is to ensure regional collaboration and to remedy instances of interoperability, the City does not recommend moving forward with independent interoperability projects. This alternative is also not recommended

because UASI has transitioned to a regional approach. Grant funding is awarded to projects that have a regional activity as a result of a broadened approach.

PUBLIC OUTREACH/INTEREST

- ☐ **Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- ☐ **Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- ☐ **Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This memorandum does not meet the above Criterion; however it is posted on the City's website for the March 30, 2010 Council agenda.

COORDINATION

This Council Memo has been coordinated with the Silicon Valley Regional Interoperability Project, City Manager's Office and Budget Office, City Attorney's Office and General Services Department.

FISCAL/POLICY ALIGNMENT

This action is consistent with the following General Budget Principles: "We must focus on protecting our vital core city services for both the short- and long-term; we must continue to streamline, innovate and simplify our operations so that we can deliver services at a higher quality level, with better flexibility, at a lower cost; and the Strategic Initiative, "Make San José a Tech-Savvy City; lead the way in using technology to improve daily life."

COST SUMMARY/IMPLICATIONS

The fiscal impact of the proposed JPA varies based on a member community's population and shared system usage. Preliminary budget estimates for the first three years have been reviewed with the City/Town Managers and the County Executive's Office. The formation of the JPA will allow for costs for the entire project to be shared in a proportional manner by all JPA members based on the cost allocation formulas specified in the JPA. The City participated in developing the proposed JPA cost sharing allocation plan and believes that the structure is equitable.

Under the shared cost allocation plan outlined in Sections 7.6 and 7.7.3 of the SVRIA JPA, the initial operating and maintenance costs for FY 2009-2010 will be met by the City's 2009- 2010 contribution to the JFA. These costs will include ongoing costs for SVRIA to maintain the ECOMM project.

In FY 2009-2010 funding for the ECOMM project is appropriated in the General Services Non-Personal/Equipment appropriation for maintenance costs and in the Silicon Valley Interoperability Project city-wide appropriation for operations. In addition to funding for the SVRIA in the 2010-2011 Base Budget, the City will provide one-time support services and office space to SVRIA to partially offset funding needs for operations and maintenance for the project in FY 2010-2011.

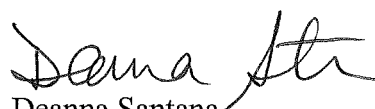
Currently, funding is allocated for the City's participation in the current fiscal year. Funding for FY 2010-2011 will be included in the proposed FY 2010-2011 budget document. Thereafter, the City Council will need to consider funding on a year to year basis during the City's budget deliberation process.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
001	3698	Silicon Valley Interoperability Project	\$164,000	IX-32	10/20/2009 Ord. No. 28653
001	0592	General Services Non-Personal/Equipment	\$10,790,960	VIII-116	2/9/2010 Ord. No. 28698

CEQA

Not a project.


Deanna Santana
Deputy City Manager

For questions please contact Deputy Chief Phan Ngo, Bureau of Technical Services at 277-3881.

RD: PN/MMJ

Attachments:

- Joint Powers Agreement for the Silicon Valley Regional Interoperability Authority
- First Amendment to the Second Amended Santa Clara County Data Communication Network Joint Funding Agreement